

Western States Petroleum Association

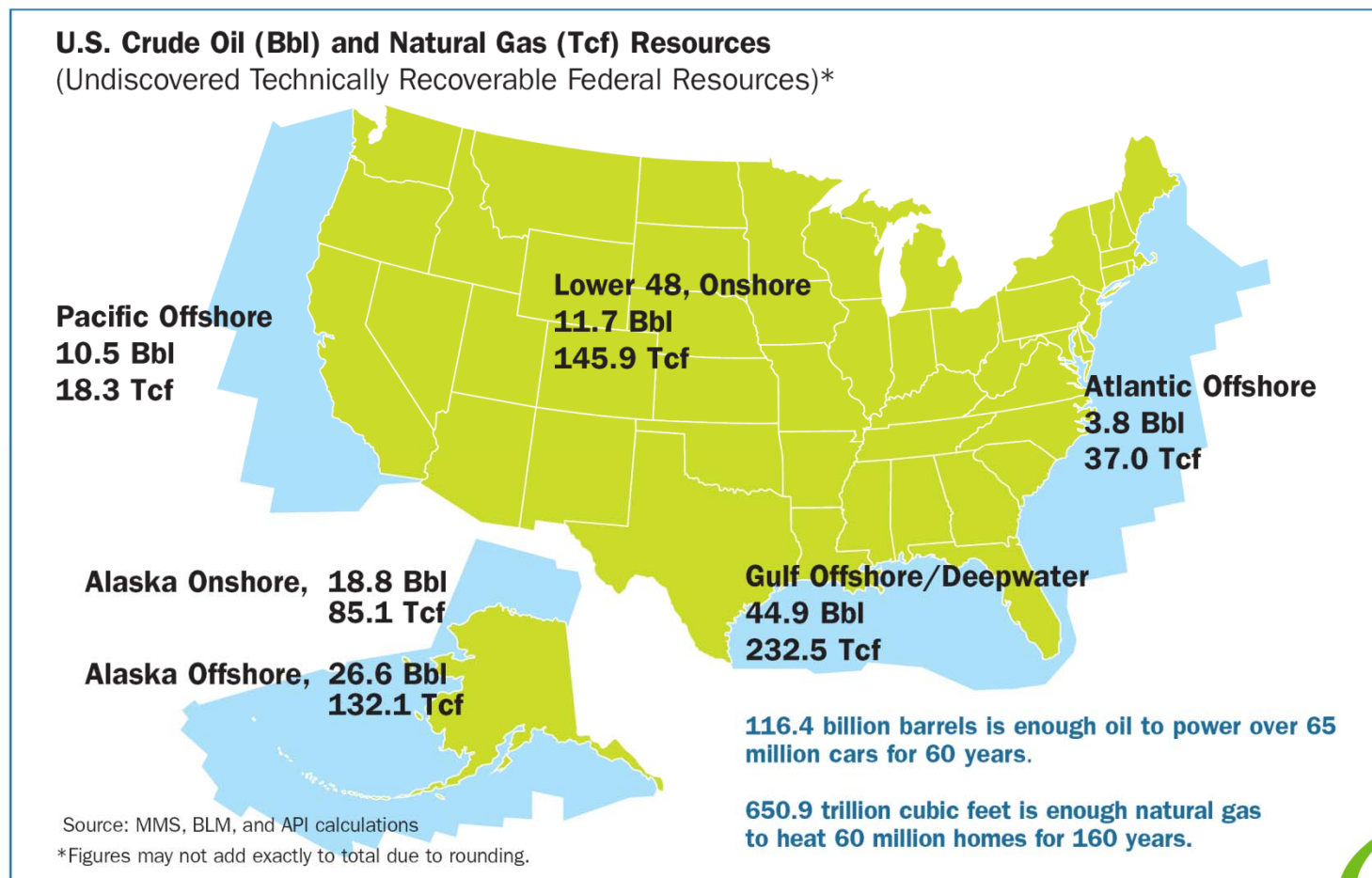
California Energy Commission Joint Integrated Energy Policy Report and Transportation Committee Workshop



Infrastructure and Resource Access Issues
Bob Poole
Western States Petroleum Association
April 15, 2009

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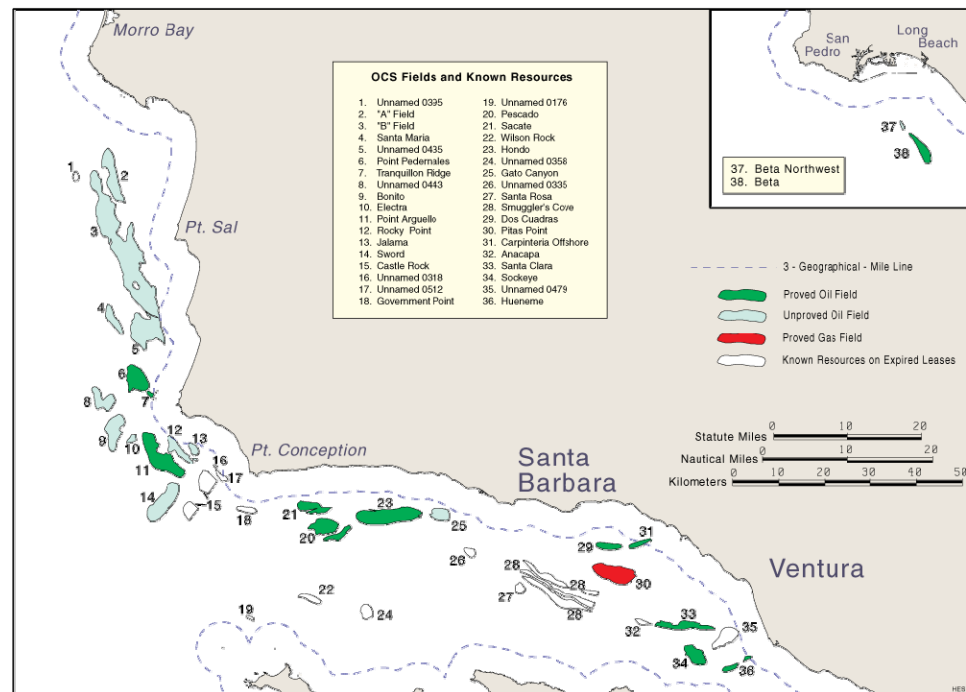
Access to domestic energy resources



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Access to domestic energy resources

- 10 billion barrels of oil in total recoverable reserves, 15.7 trillion cubic feet of natural gas, off the coast of California



Source: U.S. Energy
Information
Administration, U.S.
Minerals Management
Service

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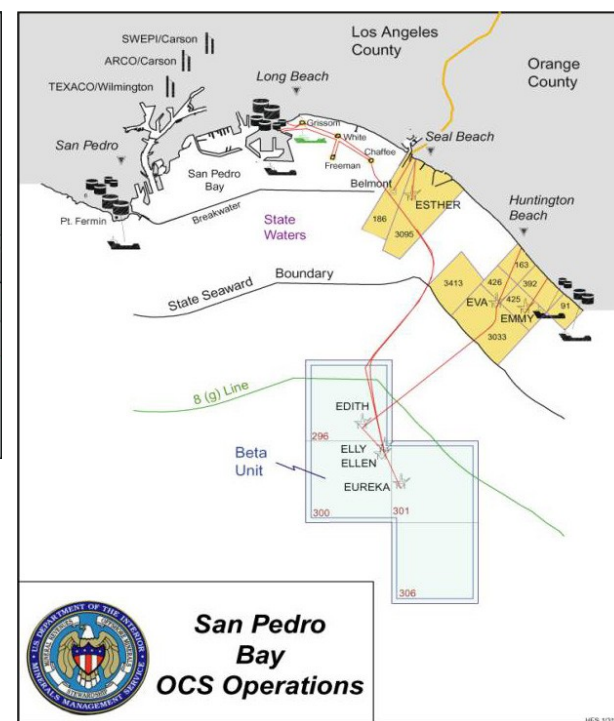
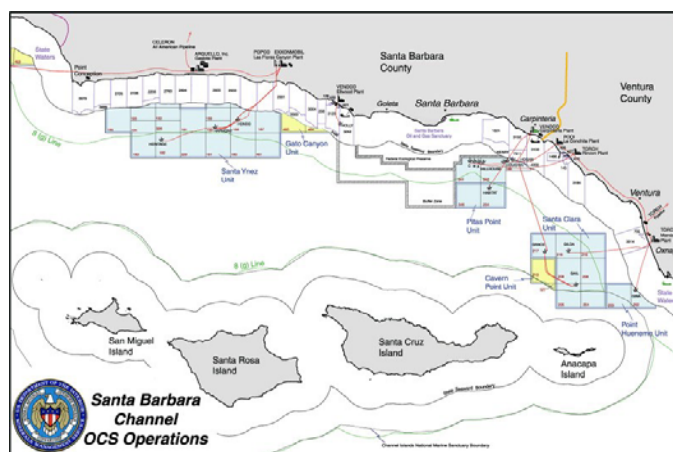
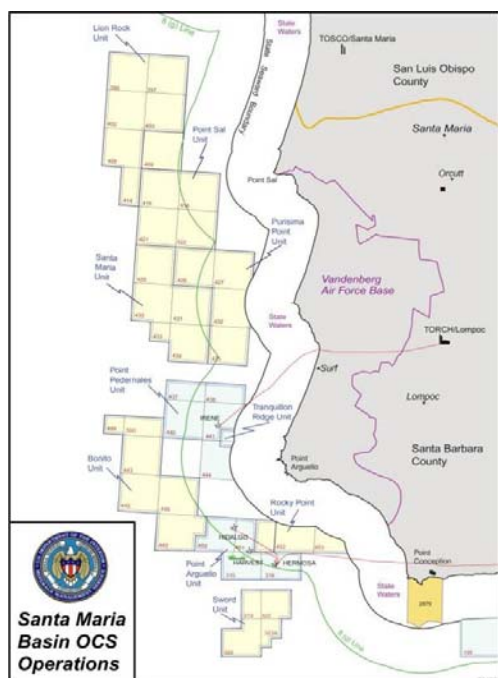
Existing access to energy resources

- 23 platforms in federal waters
- 4 Platforms in state waters



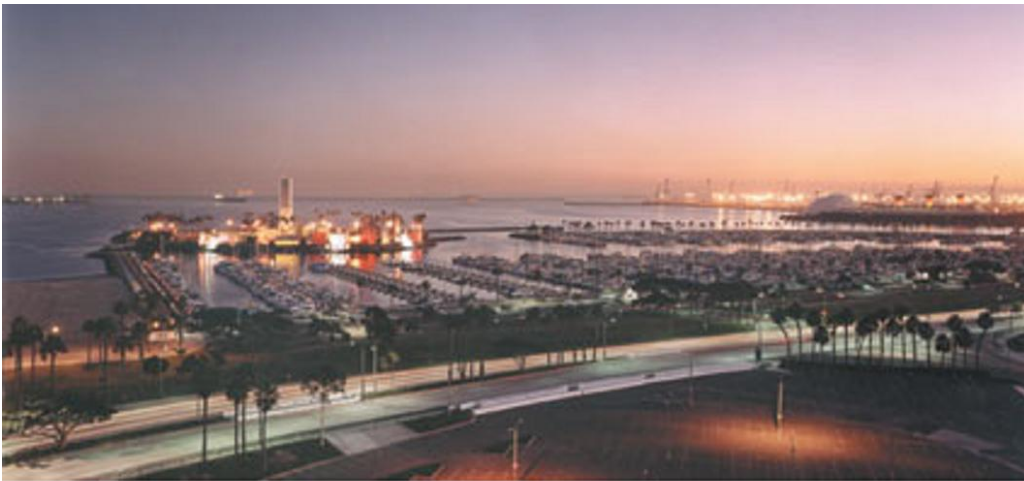
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Existing access to energy resources



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Existing access to energy resources

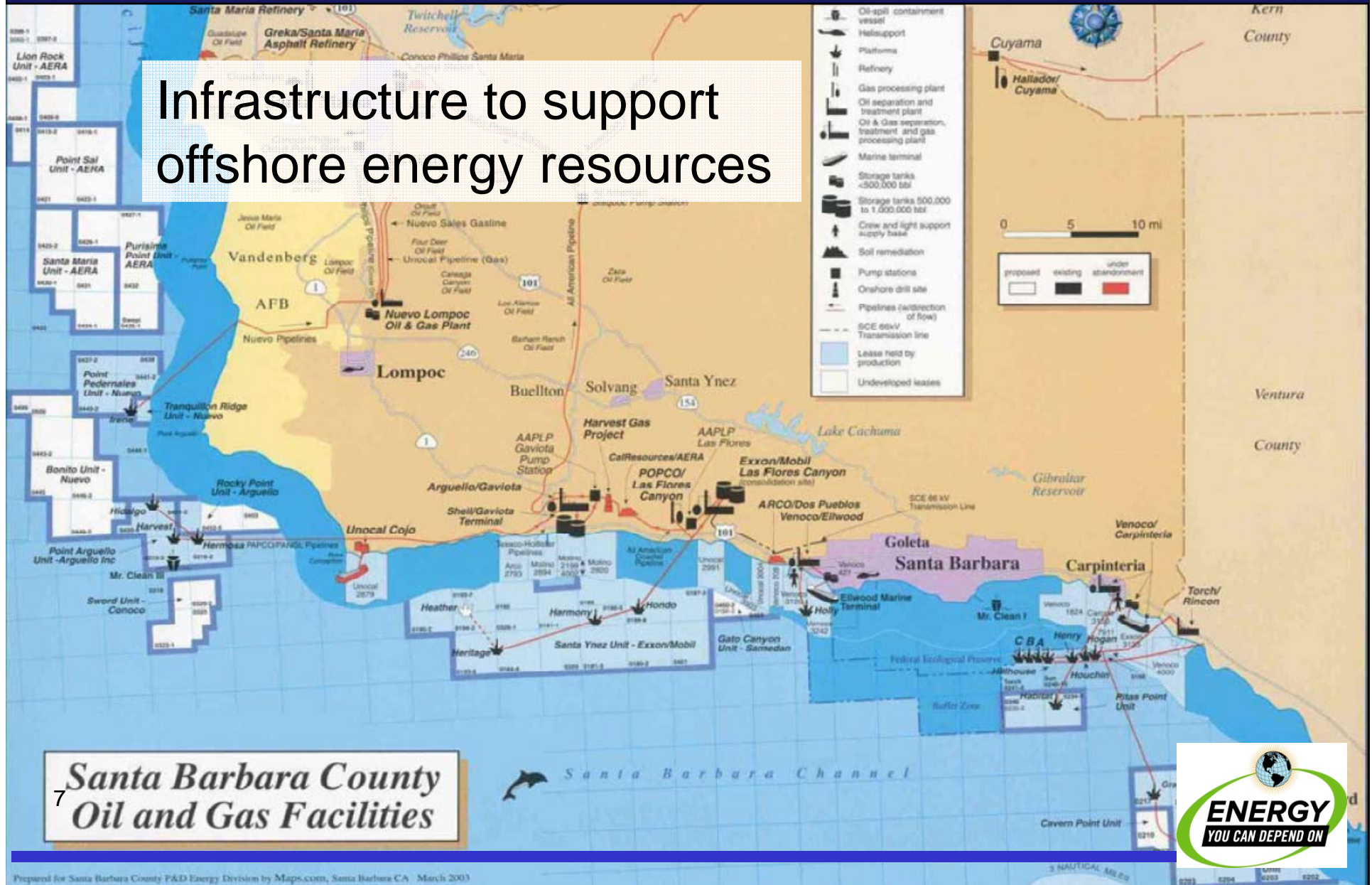


Five man-made islands



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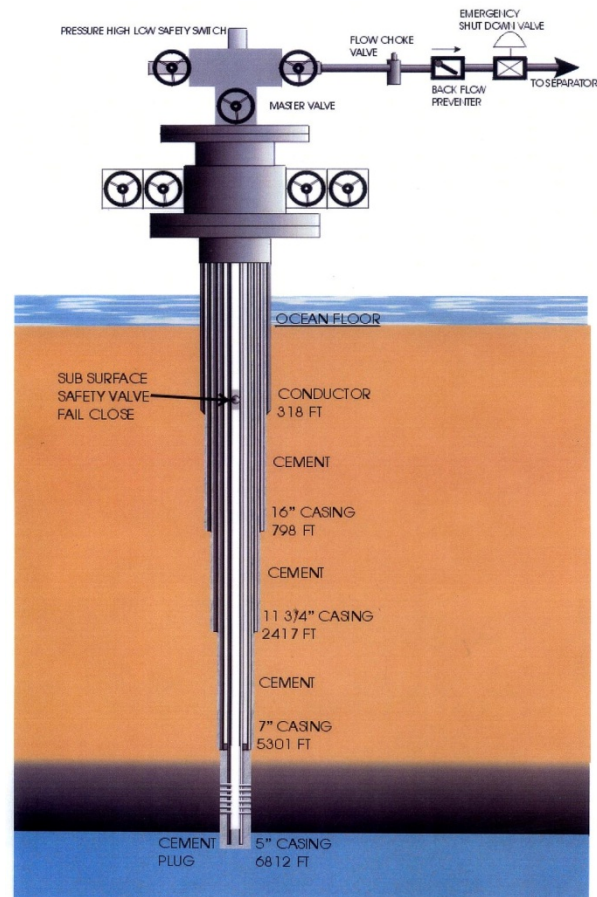
Infrastructure to support offshore energy resources



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Infrastructure to support offshore energy resources

- Blowout prevention emergency shutdown
- Subsurface well completion

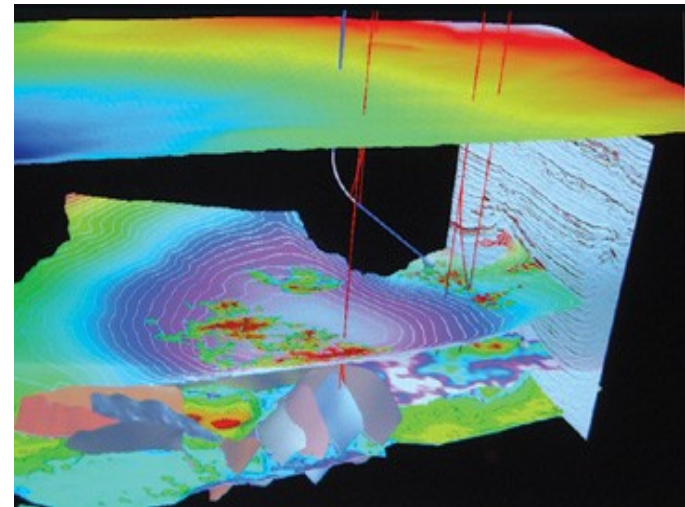


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Technology reduces footprint, improves safety

Oil industry is constantly developing sophisticated safety processes and equipment, such as:

- Measurement-while-drilling technology.
- Global positioning systems
- High resolution inspection and monitoring devices
- Remotely-operated underwater vehicles
- 3-D and 4-D Seismic Technology



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Technology reduces footprint, improves safety

- Since 1970, 1 billion barrels of oil have been produced off California, According to the U.S. Minerals Management Service
- During that time, less than 850 barrels of oil have been accidentally released into the marine environment
- 55,000 barrels of crude oil introduced from natural seeps each year into the ocean off Santa Barbara



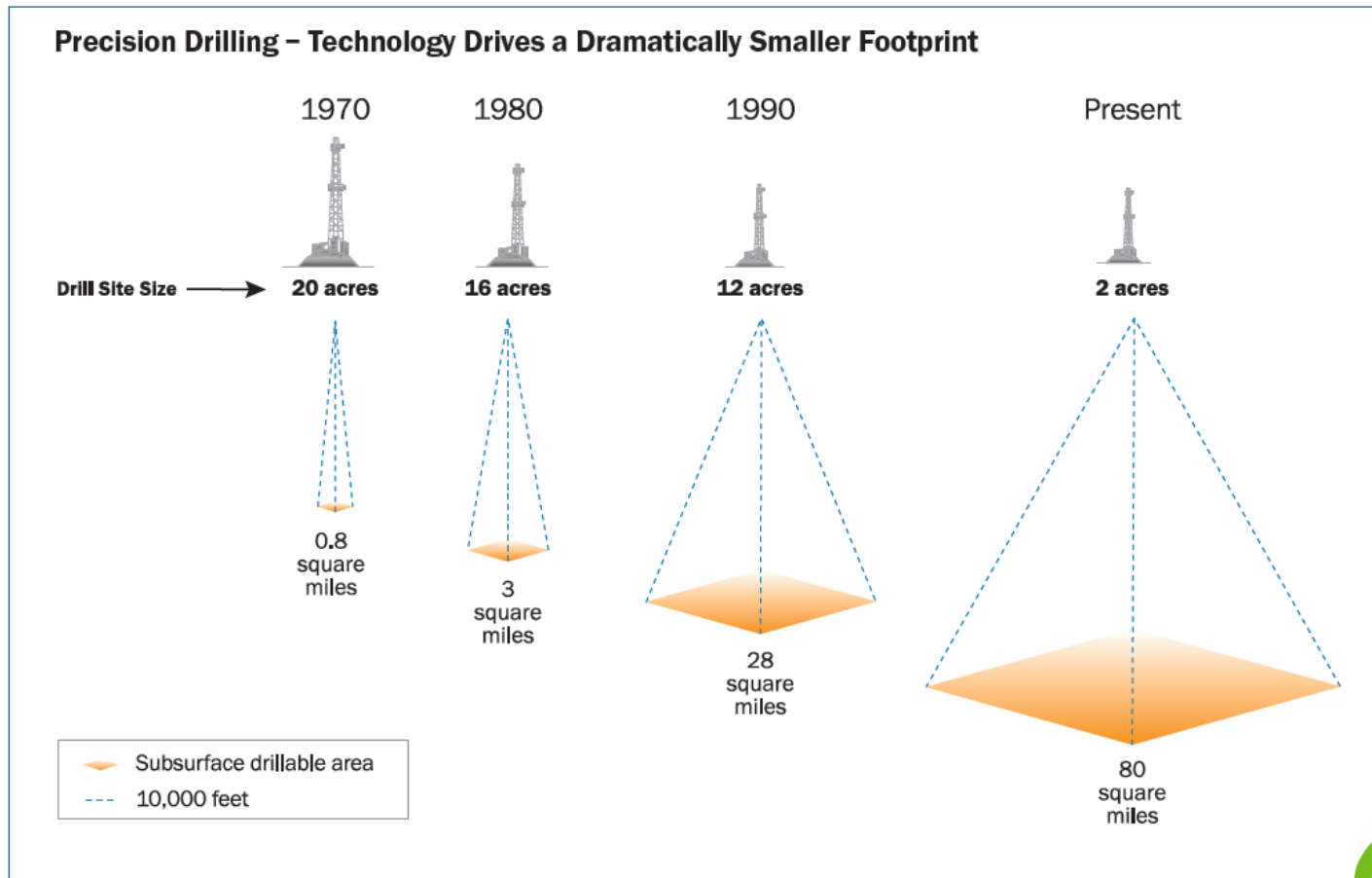
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Technology reduces footprint, improves safety



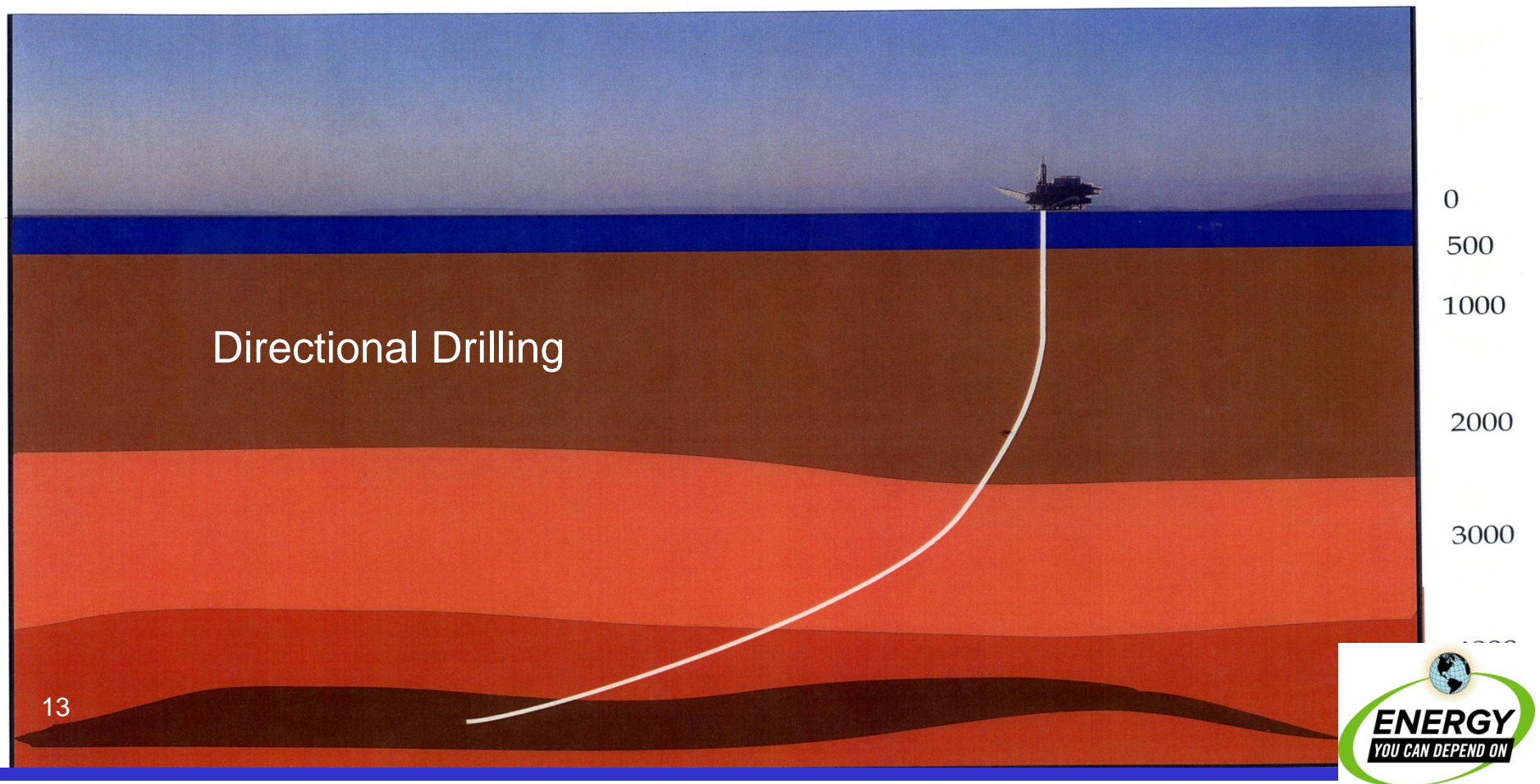
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Technology reduces footprint, improves safety



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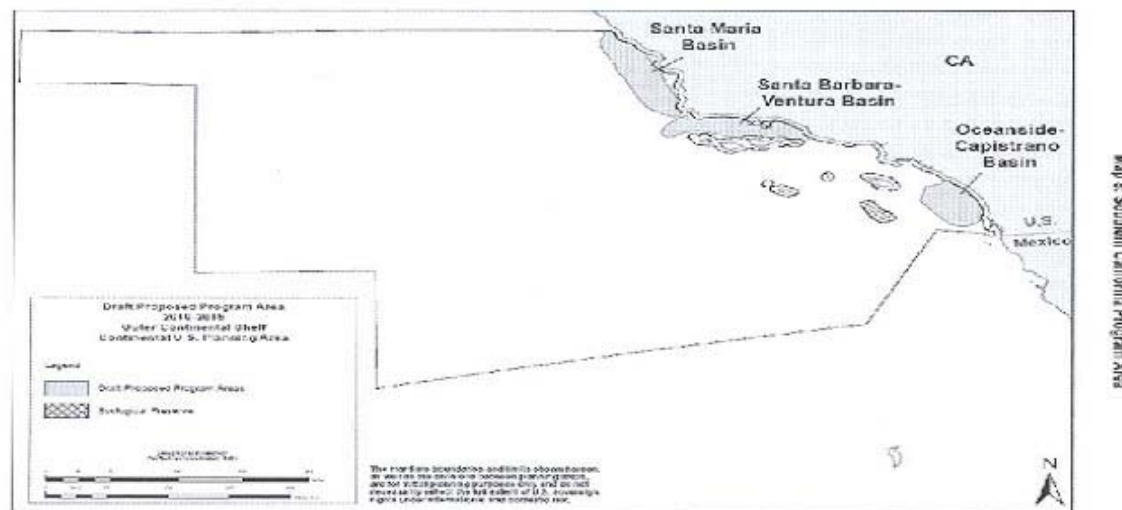
Technology reduces footprint, improves safety



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Access: Status of current policies

- California moratorium
- Minerals Management Service 5-year Plan



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It's about access

- 80% of US energy through 2030 will come from fossil fuels
- California's dependence on foreign oil is projected to increase
- Domestic resources needed to reduce imports are available today
- Infrastructure and technology exists to increase production in environmentally safe and sensitive ways
- Prudent development of natural resources is an essential component of meeting California's energy needs – now and in the future